

AMENDED IN ASSEMBLY APRIL 13, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2383

Introduced by Assembly Member Evans

February 19, 2010

~~An act relating to bonds.~~ *An act to add Section 13450 to the Government Code, relating to bonds.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2383, as amended, Evans. Bonds.

Existing law authorizes the state, under specified conditions, to issue bonds to fund specified projects.

~~This bill would state the intent of the Legislature to enact legislation to use unappropriated voter-approved bonds to create jobs for California residents and identify a sustainable funding source to pay for the costs of those bonds.~~

This bill would require the Department of Finance to semiannually survey state agencies on project readiness, as defined, of projects funded by bonds, and provide the Joint Legislative Budget Committee with the results of the surveys. This bill would also require and authorize the department to, under specified circumstances, prioritize the sale of bonds in a specified manner.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 **SECTION 1.** *Section 13450 is added to the Government Code,*
- 2 *to read:*

1 13450. (a) *The Department of Finance shall, on a semiannual*
2 *basis, survey state agencies that administer or oversee the*
3 *expenditure of bond proceeds. The survey shall inquire of state*
4 *agencies regarding project readiness and cash needs based on*
5 *anticipated bond issuances.*

6 (b) *The department shall provide the Joint Legislative Budget*
7 *Committee with results of the survey, including which bonds would*
8 *be used.*

9 (c) (1) *During periods when bond issuance is constrained such*
10 *that there are more voter-approved bonds with ready projects*
11 *available than the state anticipates it can sell, the department*
12 *shall, in addition to project readiness, use the following criteria*
13 *in determining the priority for the sale of bonds:*

14 (A) *Immediate job creation.*

15 (B) *Sustainability of jobs.*

16 (C) *Benefit and impact of the project on the economy.*

17 (2) *Notwithstanding subparagraphs (A) to (C), inclusive, of*
18 *paragraph (1), the department may prioritize the sale of bonds*
19 *when bond issuance is constrained, as described in paragraph (1),*
20 *for projects that would:*

21 (A) *Draw down significant state or federal matching funds.*

22 (B) *Be feasible only if included in the next bond sale or would*
23 *cost substantially more if included in a later bond sale.*

24 (C) *Respond to an urgent matter of public health or safety.*

25 (d) *For purposes of this section, the following definitions shall*
26 *apply:*

27 (1) *“Project readiness” means that the project, if immediately*
28 *funded is at the stage where it would provide the intended economic*
29 *benefit.*

30 (2) *“Bond proceeds” means funds derived from the sale of*
31 *general obligation bonds.*

32 ~~SECTION 1. It is the intent of the Legislature to enact~~
33 ~~legislation to use unappropriated voter-approved bonds to create~~
34 ~~jobs for California residents and identify a sustainable funding~~
35 ~~source to pay for the costs of those bonds.~~